

Listing of the Claims

Claims 1-14 (Cancelled).

15. (Currently Amended) A method for exchanging payments, comprising the steps of:

representing an amount of a consumable item in a consumable article as currency in a memory device;

expending a portion of the currency as a royalty to create privileged content;

preventing the use of a portion of the consumable item by a valve in proportion to the amount of expended portion of currency, thereby creating a collateral security as an encumbrance on the portion of the consumable item;

contacting a clearing house over a network to make a payment representing the expended portion of currency; and

after payment, releasing the encumbrance and thereby allowing the use of the portion of the consumable item by the valve.

Claims 16-19 (Cancelled).

20. (Currently Amended) A method of exchanging payments, comprising the steps of:

purchasing a consumable article having a consumable item therein configured to allow recreation of royalty based content;

creating a digital cash account for the consumable item having an amount proportionally related to the amount of the consumable item;

acquiring a first royalty based content that indicates an owner of the content and the amount of a debit charge for using the content;

expending a portion of the consumable item with the consumable article wherein the use of the consumable item to recreate the royalty based content incurs [[a]]the debit charge;

reducing the amount of the digital cash account over a network by the amount of the debit charge incurred;

preventing the use of the consumable item by a valve in proportion to the reduced amount of the digital cash account of the consumable item, thereby bartering a portion of the consumable item for the use of the content; and

- 5 updating a digital cash account over a network for the owner of the royalty based content by the amount reduced from the digital cash account for the consumable item.

Claim 21 (Cancelled).

- 10 22. (Original) An apparatus including a consumable item using the method of claim 15 to exchange payments.

Claim 23 (Cancelled).

- 15 24. (Original) An apparatus including a consumable item using the method of claim 20 to exchange payments.